

Ron Paul, Speaker Gingrich, and farm-state members announce introduction of emergency farm legislation *Measure will assist farmers, ranchers deal with heavy toll of weather, economics*  
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WASHINGTON, D.C. -- With the Asian financial crisis and adverse weather conditions exacting a heavy toll on American farmers and ranchers, US Rep. Ron Paul, along with Speaker of the House Newt Gingrich (R-GA), Agriculture Committee Chairman Bob Smith (R-OR), and other Members of Congress from farm states have announced the introduction of the Emergency Farm Financial Relief Act

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The legislation, authored by Mr. Smith and cosponsored by Dr. Paul, would allow farmers the option of receiving all of the Agriculture Market Transition Act (AMTA) contract payments for FY1999 immediately after the beginning of the fiscal year. Annual payments can now be made twice a year, in December or January and again in September.

The bill would make \$5.5 billion available as much as one year early to help farmers cope with the cash shortage they are now experiencing due to low prices and drought. The bill leaves the option of early payments with the farmer who can then make the decision on the basis of personal circumstances.

Because all the 1999 AMTA payments occur within the same fiscal year, there is no additional cost or appropriation to this proposal; it merely allows for speedier access to the already-appropriated funds. The bill allows Congress to address the current farm cash shortage immediately without incurring any additional budget cost while giving farmers the flexibility to adjust to their individual circumstances.

"Many farmers in the 14<sup>th</sup> District and around the nation are facing financial ruin," said Rep. Paul. "While we prepare for the future by opening global markets to our producers, we can't ignore the present difficulties in the agricultural community."

Besides cosponsoring this legislation, Rep. Paul has also been making contact with the administration, asking that they quickly move forward with Gov. George Bush's request for an emergency declaration as it relates to agriculture.

"Texas farmers and ranchers are straddled with high taxes, under the premise that when bad times come those taxes will be used to help them. The federal government must live up to those promises," said Paul.

The current situation also points to the need for more broad-based reforms, including the opening of markets currently closed to American farmers, as well as changes in tax policy. Rep. Paul is strongly pushing legislation to allow tax-related income averaging. This process allows those in agriculture to pay taxes on a yearly average rather than being taxed at such a high rate in a good year when they are only making up for the losses of several bad years.

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